Avenue, Calcutta of Punjab National Bank in the past two years on account of legal and litigation exercises against clients vehicle hypothecation accounts;

(b) whether it is a fact that some of the clients even after paying their dues to the bank are still facint bank's legal cases due to non-payment of abnormally high cost of bank's lawyers fees since 1985;

(c) whether Government propose to direct the bank to settle those cases soon without much harassment to clients about legal charges; and

(d) if so, the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI DALBIR SINGH): (a) The Punjab National Bank (PNB) have reported that its Dharamtala branch at Calcutta has incurred Rs. 500/- on account of legal and litigation expenses against clients' vehicle hypothecation accounts during the last two years C.R. Avenue branch and New Market branch (at Lindsay Street) did not incur any expenditure on this account.

(b) No such case has yet been referred to the bank.

(c) and (d) Do not arise.

World Bank loan for recapitalising Indian Banks

4604. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that assistance from the World Bank has been sought for recapitalising the Indian Banks;

(b) if so, what are the prospects for this structural loan from the World Bank; and

(c) what conditions have been stipulated by the World Bank for sanctioning such loan?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) No, Sir.

(b) and (c) Do not arise.

Liberalisation to augment foreign investments

4605. SHRI P. UPENDRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that all the principal laws governing industry, foreign exchange, banks labour, companies and taxation have been amended, recently, to suit the requirements of the foreign investors, particularly, the multi-national corporations;

(b) if so, whether Government have promised further liberalisation in these and other sectors;

(c) whether Government have decided to remove all controls bureaucratic and legal, by March 31, 1992 to bring "stability and continuity" in the economy; and

(d) if so, what are the details thereof?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI RAMESHWAR THAKUR): (a) to (d) With a view to attract foreign investment the Government has recently taken a series of measures and structural reforms in the spheres of trade, industrial, finance and public sector policies. In addition, the MRTP Act has been amended to remove threshold limit of assets in respect of MRTP companies and dominant undertakings. These policies have been supplemented by the introduction of the partial convertibility of the Rupee. Besides, Government proposes to introduce comprehensive amendments to the Foreign Exchange Regulation Act (FERA) to bring it in line with the requirements of the new policy. The objective is to evolve industrial and trade policy framework which would be simplified and transparent and which would promote efficiency, impart dynamism and enhance competitiveness of Indian insdustries, reduce bias in favour of excessive capital intensity and encourage an employment oriented pattern of industrialisation.